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COTTON CONTRABAND

BY

VISCOUNT MILNER

Viscount (1854-1935)

Alfred Milner



LONDON,
DARLING AND SON, LIMITED.

1915.

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"Lord Milner to-day gave to THE NEW YORK TIMES correspondent an interview which may be regarded as an authoritative exposition of the British attitude on the question of cotton as contraband and as an informative supplement, coincident with the declaration on the subject issued by the Foreign Office."—(NEW YORK TIMES, August 21st, 1915.)

"You ask me," said Lord Milner, "whether the declaration of cotton as contraband is justifiable. I am not a lawyer, but I should have thought it was quite clear that any belligerent nowadays was entitled to declare cotton contraband. Lists of contraband articles vary necessarily with every war, but the broad principle is clear enough. Anything may be declared contraband which is essential to a belligerent for the continuance of the war. It is quite true that considerable doubt has existed, until this war, as to whether cotton comes within this category. But the present war has shown that the successful conduct of military operations requires an enormous consumption of munitions of all kinds, and since cotton is the basis of almost all propulsive explosives in actual use, vast quantities of cotton have to be employed and are in fact indispensable to a belligerent. In short, cotton is now just as essential a part of munitions of war as were, in the old days, the component parts of gunpowder or the raw materials from which ships or cannon were made."

"Why, then, was cotton not declared contraband long ago?" Lord Milner was asked.

"That question is one which only a member of the Government can fully answer," he replied. "I do not suppose it was realised by the Government or their advisers in the early months of the war that a vast demand for cotton for military purposes would arise, and it is obvious that no Government would wish to take a step so restrictive of neutral rights as a declaration

that cotton was contraband unless they were satisfied that the military necessities compelled them to do so. The British Government have all along been most anxious not to strain their belligerent rights. In particular they have been anxious to avoid friction with the United States. In this respect I think they have truly interpreted the feelings of the nation.

VALUE AMERICAN SYMPATHY.

“Sentiment and policy alike cause us to desire most earnestly that the relations between our country and yours should remain not only correct, but cordial. We believe ourselves to be fighting in this struggle, not only for our own preservation, but for the interests of humanity, and from that point of view the sympathy of America is a great encouragement and moral support; and of course the material advantages of uninterrupted intercourse between the two countries are obvious. I have no doubt that all fumbling over the cotton question is due at bottom to consideration for the United States.

“Indeed, I doubt whether any strong measures at all would have been taken in the matter but for the length to which the Germans have gone in their submarine warfare. In the face of an enemy who stuck at nothing it has become necessary for Great Britain to use its undoubted belligerent rights with less reserve. If friendly neutrals are incommoded thereby we are sincerely sorry, but even from a neutral point of view a certain amount of inconvenience and loss is better than an indefinite prolongation of war, especially war as the Germans are now conducting it.”

“But if the new development of submarine warfare had any influence on the question, why has the action now taken by the British Government been delayed for so many months?”

“Because we tried in the first instance to achieve the same object by other means. That object was to prevent cotton from getting into Germany. This was one of the main points aimed at by the Orders in Council of March last establishing the blockade. I dare say it would have been better, since it was clearly intended to stop cotton from reaching Germany, to state clearly and definitely

from the outset that it would be stopped because it was contraband.

"Of course the practical result, whether cotton is stopped by a blockade or is stopped as contraband, is precisely the same, and the difficulty in either case is also the same. It is that of discriminating in the case of cotton consigned to neutral countries between cotton actually required by, and about to be consumed by, the neutral, and cotton only colourably destined for the neutral but actually going on to the enemy.

POSITION IN LAW CLEAR.

"The position in international law seems quite clear : You have no right to stop even contraband when it is clearly intended for a neutral; you have every right to stop it when its ultimate destination is the enemy, even if it is consigned to the neutral. It has now been established for more than half a century, very largely by American precedents, that where the ultimate destination of contraband is the enemy's country, it can be stopped at any point of its journey.

"Our great difficulty is how to prevent cotton from reaching the enemy without cutting off the supply to neutral countries with which we have no right and no wish to interfere. Many different attempts have been made to meet this difficulty. I am told on good authority that the three Scandinavian countries and Holland have during May, June, and July received rather more than 17,000 tons, against about 16,500 tons, which is their normal consumption in time of peace for the same period."

"If, then, this policy has been so successful, why is it necessary to make any change?"

"Because it is well not only to be substantially in the right, but to be intelligibly so. We are really bound in fairness to our allies as well as to our own soldiers, to do all in our power to stop cotton getting into Germany; but the method by which we have hitherto tried to do this has been called in question. I am not going to criticise the Orders in Council, but it undoubtedly is a fact that many authorities, especially American authorities, have taken objection to our action under them with regard to cotton.

“What is quite indisputable is that we have a right to declare cotton contraband. By doing so we regularise our position, and it is henceforward perfectly clear and unambiguous. It is true we are not going to do anything more than we are already trying to do, namely, to restrict the importation of cotton into neutral countries to what is required for the consumption of these countries, and absolutely to prevent cotton from passing through them into Germany, but in pursuing this course in future we shall be fortified by having taken up a position which I believe to be quite unassailable from a juridical point of view.”

QUESTION OF INDEMNIFICATION.

“Can you say anything about the suggestion made that the British Government should take measures to avoid the financial injury which may be caused to cotton growers by their restrictive policy?”

“As a matter of abstract right, I do not believe it has ever been contended that a belligerent was bound to indemnify neutrals for the indirect consequences of his exercise of unquestionable belligerent rights during the American civil war. Lancashire suffered most severely from the cutting off of her supplies of raw cotton owing to the blockade of the Southern States. That was not only a case of inconvenience and loss of profits, but also of absolute ruin and starvation to great numbers of people. Those hardships were borne with fortitude by the people of Lancashire, largely I think because they sympathised with the North, as I hope that a majority of your people sympathise with Great Britain, Russia, France, and Belgium.

“But, sympathy or no sympathy, I have never heard that the United States were asked to indemnify Lancashire. Nevertheless, I recognise that, in view of the serious effect which the stoppage of the importation of cotton into Central Europe must have upon a great industry in the United States, and, I may add, upon Egypt, which country indeed is in much the worse case, seeing that the whole structure of its finance, public and private, rests upon cotton exports, any scheme that can possibly be devised to stabilise cotton prices must necessarily appeal very strongly to the British Government.

“I do not myself think that the proposal that we should buy up all cotton which would otherwise go to Germany and Austria is either practicable or economically sound. It seems to me calculated completely to upset the market and to insure evil effects in both directions—an excessively high price, accompanied by undesirable speculation, in the first instance, followed very likely by a ruinous fall of price later on. But the question whether something else might not be done less heroic perhaps, but more practically useful, to relieve the position of the cotton growers is well worthy of consideration. I can only repeat what I have already said, that our feelings and our interests alike impel us, while exercising our belligerent rights against Germany with the greatest vigour, to do everything in our power to minimise the injuries which their exercise may inflict upon friendly nations.”

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